

TESTIMONY OF

LISA TRUMBLE, MBA PRESIDENT AND CEO

SOUTHERN NEW ENGLAND HEALTHCARE ORGANIZATION SUBMITTED TO THE

INSURANCE AND REAL ESTATE COMMITTEE

MARCH 17, 2022

SB 416 AN ACT PROMOTING COMPETITION IN CONTRACTS BETWEEN HEALTH CARRIERS AND HEALTH CARE PROVIDERS

Southern New England Healthcare Organization appreciates this opportunity to submit testimony on SB 416 **An Act Promoting Competition in Contracts between Health Carriers and Health Care Providers**. We are committed to working with the legislature and Governor to ensure that this legislation leads to the efficient and effective delivery of healthcare services.

Southern New England HealthCare Organization is recognized as the region's leader in value-based care. Our clinically integrated network is comprised of independent community physician practices and our hospital partner of Trinity Health Of New England. Trinity Health Of New England includes Saint Francis Hospital and Medical Center and Mount Sinai Rehabilitation Hospital in Hartford, Saint Mary's Hospital in Waterbury, and Johnson Memorial Hospital in Stafford Springs, as well as physician practices, an ambulatory services networks, home health and post-acute services. We are world-class providers and facilities dedicated to preventive, acute and post-acute care delivered with the goal of improved health outcomes and patient experiences and lower costs. Our robust network is comprised of 1500+ primary and specialty care providers, four hospitals and approximately 200,000 covered lives.

We strongly support tiered networks and the cost savings and quality those networks intend to deliver. We have experienced firsthand the value of clinically integrated providers working together, depending on one another to ensure quality and control costs. A recent report by the Rand Corporation highlights the outstanding value of our clinically integrated network and the advantages it offers to patients, health plans and the purchasers of health care coverage. As a result, we recently contracted with the State of Connecticut to participate in the Episodes of Care program for the state employee and retiree health plan. The program aims to improve health outcomes for certain common procedures and lower costs through a new "Network of Distinction" program.

We are proud to have been selected to partner with the State Comptroller in serving state employees, as we believe that we offer the very best in providing high-value care.

I believe the provisions of SB 416 which prohibit anti-steering and ant-tiering clauses in contracts between health insurance carriers and providers will promote appropriate competition between health care providers that will encourage higher quality and lower-cost health care.

Based on my experience, there are several issues that should be addressed in this legislation to assure that patients and the purchasers of health care coverage receive all the intended benefits of this proposal.

• Anti-Tiering:

- The measures (quality, cost, efficiency, and satisfaction) utilized to tier providers and hospitals should be standardized across health plans.
- Performance tiers should also be clear and standardized so providers and consumers can understand the results and compare between providers and health plans.
- The measure definitions, inclusions, and exclusions must be understood by providers before the measurement period begins and should remain in place for a defined period without adjustments so that performance improvement can be measured.
- Reasonable notification should be given before any changes to measures are implemented.
- There should be a clear and timely process for grieving or appealing results, which includes a public acknowledgment (websites, patient materials, etc.) that results are being challenged.

• Anti- Steering:

- We are supportive of limited and tiered network products that promote the use of high-value, clinically integrated providers.
- Limited and tiered network products that establish provider networks based on quality and cost and performance should be the mechanism to encourage patients to utilize high-value, clinically integrated providers.
- Outside of the development of limited and tiered network based on positive quality and cost performance, any attempt by health plans and/or providers to restrict the use of high-value, clinically integrated providers are not in the best interests of patients and the purchasers of health care coverage.

Thank you for your consideration of our position.

For additional information, please contact Dan Keenan, Vice President of Government Relations for Trinity Health Of New England at dkeenan@trinity-health.org or 860-714-0437.